



hospTRENDS

For 1st Quarter 2004 Data - Volume 2004-3 July 2004

ANNOUNCEMENTS

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Visit the Department of Health web site at <http://www.doh.wa.gov/EHSPHL/hospdata> for a large variety of hospital data and reports. Included are patient guides, hospital discharge data and reports, and hospital financial data and reports. Also included are Directory of Hospitals, CHARS Procedure Manual, *Accounting and Reporting Manual for Hospitals*, Charity Care reports and hospTRENDS.

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PREFACE

Summary financial and utilization data are submitted to the Department of Health on a quarterly basis by hospitals in the state of Washington. Reported data are edited, summarized, and analyzed by Hospital and Patient Data Systems staff. Specific data elements are defined in the Department's *Accounting and Reporting Manual for Hospitals*. Utilizing these data, various financial and utilization rates and ratios are calculated to enhance the description of the financial condition of hospitals in the state. The purpose of this series of reports is to provide all concerned parties with information describing emerging hospital utilization and financial trends.

Instead of focusing on individual quarters, the data in this report are aggregated into twelve month periods consisting of four calendar quarters each.

This aggregation reduces the impact of seasonal fluctuations, which could distort actual trends occurring within the hospital industry.

This report includes the first calendar quarter of 2004. The report provides the first preview of the direction that hospital financial and utilization trends are headed in 2004. However, this preview is subject to change. The quarterly reports submitted by hospitals contain interim data which have not yet been subjected to audit review. Future adjustments and/or revisions as a result of both the hospital's internal accounting system review and the formal procedures of outside auditors may result in changes to previously submitted data. These future revisions will be reflected in the hospital's year-end reports. The year-end reports not only reflect audit adjustments but also provide substantially greater detail, which allows analysis of the information provided in greater depth.

This issue of hospTRENDS introduces the topic of uncompensated care, which is composed of charity care and bad debt expense. Charity care is a small component (3.3%) of deductions from revenue, while bad debt is a small component (4.3%) of operating expenses. However, during the past year uncompensated care has grown by over 50% and therefore needs closer scrutiny.

SUMMARY

The annual growth rates of 13.4% for total patient service revenue, 18.0% for contractual adjustments, and 8.5% for net patient services revenue were the lowest recorded since the twelve month periods ended June 30, 1999, June 30, 1997, and March 31, 2001, respectively.

The four quarter period ended March 31, 2004 saw jumps of 48.6% in bad debt and 57.1% in charity care, resulting in an overall growth rate of 52.2% for uncompensated care. Uncompensated care accounted for 3.7% of total billed charges, which is the highest rate since the twelve month period ended March 31, 1992.

The increase of 7.7% in total operating expenses combined with a growth of 0.3% in

adjusted discharges resulted in operating expenses per adjusted discharge that were 7.3% over the year earlier level. This is considerably higher than the 1.7% advance in the overall consumer price index and slightly above the 6.5% jump in the hospital services component of the index.

While net operating income rose by 33.2% over the year ago level, it was 0.7% below calendar year 2003.

Accounts receivable advanced to 69.6 days of revenue for the four quarter period ended March 31, 2004. This was an increase of 10.0% over the past year and was the highest recorded since the four quarter period ended September 30, 2001.

FINANCIAL INDICATORS

Total Patient Service Revenue

Total patient service revenue, which is the sum of billed charges for all hospital services, advanced by \$2.1 billion to \$17.4 billion, which was an increase of 13.4%. This was the smallest annual percentage increase in total patient services revenue since the twelve month period ended June 30, 1999. The growth rate of 12.1% for outpatient revenue was the smallest percentage increase

recorded for this category since the four quarter period ended September 30, 1997. The increase of 11.6% for Medicaid revenue was also less than any recorded since the twelve month period ended March 31, 1999.

Contractual Adjustments

For the twelve months ended March 31, 2004 contractual adjustments reached \$8.3 billion. The annual increase rate of 18.0% was less than any recorded since the four quarter period ended June 30, 1997. By payer group contractual adjustments were up by 24.9% for Medicare, 16.8% for Medicaid, and 12.5% for other payers. The growth rate for Medicaid was the lowest realized since the four quarter period ended June 30, 1999 and the growth rate for other payers was the lowest realized since calendar year 1985. Contractual adjustments for Medicare and Medicaid reflect the difference between billed charges and the amounts that are actually paid. The difference between billed charges and the payment rates negotiated with major health insurers, managed care plans, HMO's, and other contractual payers is included in contractual adjustments for other payers.

Uncompensated Care

Uncompensated care is composed of charity care and bad debt expense. While charity care is part of the deductions from revenue category and bad debt is part of the operating expense category, they are very similar. Each represents billed charges for hospital services that are not paid. Charity care represents charges that are not paid by patients who are **unable** to pay, while bad debt expense arises from charges that are not paid by patients who are **unwilling** to pay. While charity care is only 3.3% of deductions from revenue and bad debt expense is only 4.3% of operating expense, they have been growing very rapidly during the past year. Charity care has grown by 57.1% and bad debt has grown by 48.6%, for a total jump in uncompensated care of 52.2%.

In the past two years bad debt expense grew by 74%. Geographically, the largest rates of increase were in the King County and Puget Sound regions. The growth rate in urban areas (80.4%) was much larger than in rural areas (43.6%). The growth rate for district hospitals was 52%, while not-for-profit and proprietary facilities experienced growth rates of 79%.

During this two year period charity care increased by 63%. The Puget Sound and Southwest Washington regions recorded the largest rates of increase. Frontier rural and remote rural areas posted small rates of increase, while the less remote rural area experienced a jump of 146%. Urban areas were very close to the statewide average. While both district hospitals and not-for-profit facilities experienced substantial increases, charity care dropped by 8% in proprietary facilities.

When the components of uncompensated care are combined, the two year increase is 69%. In the Puget Sound region uncompensated care more than doubled, while the rate of increase for King County and the Central Washington region was just over 50%. Urban areas and less remote rural areas recorded larger increases than the frontier and remote rural regions. Not-for-profit facilities experienced bigger rates of growth than district or proprietary facilities.

	Twelve Months Ended		Change	Percent Change
	March 31, 2002	March 31, 2004		Change
Bad Debt				
Statewide Total	\$207,809,920	\$361,944,258	+\$154,134,338	+74.2%
By Region:				
King County	\$71,979,290	\$124,366,313	+\$52,387,023	+72.8%
Puget Sound	\$65,362,116	\$121,113,447	+\$55,751,331	+85.3%
Southwest Washington	\$30,435,741	\$49,694,224	+\$19,258,483	+63.3%
Central Washington	\$20,073,718	\$33,976,134	+\$13,902,416	+69.3%
Eastern Washington	\$19,959,055	\$32,794,140	+\$12,835,085	+64.3%
By Population Density:				
Frontier Rural	\$1,302,547	\$1,864,908	+\$562,361	+43.2%
Remote Rural	\$8,962,771	\$12,696,773	+\$3,734,002	+41.7%
Less Remote Rural	\$24,879,554	\$35,887,547	+\$11,007,993	+44.2%
Urban	\$172,665,048	\$311,495,030	+\$138,829,982	+80.4%
By Type of Ownership:				
District	\$38,638,054	\$58,886,343	+\$20,248,289	+52.4%
Not-for-Profit	\$138,059,310	\$247,874,988	+\$109,815,678	+79.5%
Proprietary	\$10,639,249	\$19,076,794	+\$8,437,545	+79.3%
Charity Care				
Statewide Total	\$171,570,268	\$279,355,541	+\$107,785,273	+62.8%
By Region:				
King County	\$103,775,734	\$141,195,653	+\$37,419,919	+36.1%
Puget Sound	\$33,344,890	\$78,368,065	+\$45,023,175	+135.0%
Southwest Washington	\$12,398,885	\$27,854,231	+\$15,455,346	+124.7%
Central Washington	\$11,310,011	\$13,490,297	+\$2,180,286	+19.3%
Eastern Washington	\$10,740,748	\$18,447,295	+\$7,706,547	+71.8%
By Population Density:				
Frontier Rural	\$449,662	\$537,544	+\$87,882	+19.5%
Remote Rural	\$3,005,768	\$3,309,859	+\$304,091	+10.1%
Less Remote Rural	\$9,421,904	\$23,180,216	+\$13,758,312	+146.0%
Urban	\$158,692,934	\$252,327,922	+\$93,634,988	+59.0%
By Type of Ownership:				
District	\$15,616,869	\$29,119,317	+\$13,502,448	+86.5%
Not-for-Profit	\$78,569,391	\$157,892,312	+\$79,322,921	+101.0%
Proprietary	\$3,583,463	\$3,301,897	-\$281,566	-7.9%
Uncompensated Care				
Statewide Total	\$379,380,188	\$641,299,799	+\$261,919,611	+69.0%
By Region:				
King County	\$175,755,024	\$265,561,966	+\$89,806,942	+51.1%
Puget Sound	\$98,707,006	\$199,481,512	+\$100,774,506	+102.1%
Southwest Washington	\$42,834,626	\$77,548,455	+\$34,713,829	+81.0%
Central Washington	\$31,383,729	\$47,466,431	+\$16,082,702	+51.2%
Eastern Washington	\$30,699,803	\$51,241,435	+\$20,541,632	+66.9%
By Population Density:				
Frontier Rural	\$1,752,209	\$2,402,452	+\$650,243	+37.1%
Remote Rural	\$11,968,539	\$16,006,632	+\$4,038,093	+33.7%
Less Remote Rural	\$34,301,458	\$59,067,763	+\$24,766,305	+72.2%
Urban	\$331,357,982	\$563,822,952	+\$232,464,970	+70.2%
By Type of Ownership:				
District	\$54,254,923	\$88,005,660	+\$33,750,737	+62.2%
Not-for-Profit	\$216,628,701	\$405,767,300	+\$189,138,599	+87.3%
Proprietary	\$14,222,712	\$22,378,691	+\$8,155,979	+57.3%

Net Patient Service Revenue

Net patient service revenue is defined as the amount of revenue actually realized by hospitals. In the four quarter period ended March 31, 2004 net patient service revenue reached \$8.8 billion, which was an increase of \$687 million, or 8.5%, over the corresponding period a year ago. This was the smallest annual percentage increase in net patient service revenue since the twelve month period ended March 31, 2001. By payer, the annual rates of increase in net patient service revenue were 4.2% for Medicare, 6.5% for Medicaid, and 11.4% for other payers.

Operating Expenses

Growing by 7.7%, or \$602 million, operating expenses reached \$8.4 billion in the twelve month period ended March 31, 2004. Operating expenses are the costs of providing health care services to hospital patients. Increases in the volume of patient service utilization only accounted for an increase of 0.3% in operating expenses. The increase in operating expenses not related to patient volume was 7.3%. The volume adjusted increase substantially exceeded the 1.7% annual increase in the consumer price index for the same period, and was slightly above the 6.5% annual increase in the hospital services component of the index. Although bad debt expense was only 4.3% of total operating expense, 20% of the total increase in operating expense was accounted for by bad debt expense. Without bad debt expense the increase in total operating expense would have been 6.4% and the increase in operating expense per adjusted discharge would have been 6.0%.

Net Operating Income

Net operating income jumped by 33.2% to \$341 million in the twelve month period ended March 31, 2004. However, this was a decrease of 0.7% from calendar year 2003. But, this drop from the previous four quarter period should not be interpreted as the start of a new trend. Net operating income also turned down in the four quarter period ended March 31, 2002. But that downturn was followed by increases in the next seven quarterly periods. While net operating income is an important source of funding for replacement of buildings and equipment as well as the acquisition of modern medical technology, it is not the only source. Many hospitals also have income from activities other than the provision of patient care services.

UTILIZATION INDICATORS

Discharges, Patient Days, and Length of Stay

Inpatient activity is primarily measured by discharges and patient days. Discharges from Washington hospitals continued to grow; reaching a total of 522,697 discharges during the four quarter period ended March 31, 2004. This was a gain of 7,023 discharges, or 1.4%, over the corresponding year ago period. During the same interval, patient days expanded by 33,872 days, or 1.5%, to 2,280,080 days. Since patient days and discharges grew at about the same rate, average length of stay remained at 4.36 days.

Adjusted Discharges

Adjusted discharges reached a total of 930,658 in the four quarter period ended March 31, 2004. This was an increase of 2,903 adjusted discharges, or 0.3%, over the four quarter period ended March 31, 2003, and was the smallest annual percentage increase in adjusted discharges recorded since the four quarter period ended June 30, 1994. Adjusted discharges were down 0.2% from calendar year 2003. This was the first downturn in adjusted discharges since calendar year 2001. Adjusted discharges are utilized as an aggregate indicator of hospital activity. To calculate adjusted discharges, inpatient discharges are multiplied by the ratio of total patient service revenue to inpatient revenue (excluding skilled nursing facility revenue). With this adjustment, total patient service revenue per adjusted discharge is equal to inpatient revenue (excluding skilled nursing facility revenue) per inpatient discharge. Adjusted discharges are necessary for computing average rates, since total patient service revenue is the only financial indicator that can be split into inpatient and outpatient components.

OPERATING INDICATORS

Rates per Adjusted Discharge

Rates per adjusted discharge relate hospital financial indicators to the "average" patient. Total patient service revenue per adjusted discharge is the total bill for the average patient stay. Deductions from revenue per adjusted discharge is the portion of this average bill that is not paid by Medicare, Medicaid, or health insurers, or is written

off as charity care. Net patient service revenue per adjusted discharge is the amount of revenue the hospital actually receives from the average patient stay. Operating expense per adjusted discharge is the cost of providing services to the average patient. Net operating income per adjusted

discharge is the amount of money the hospital is able to earn from the average patient stay. Rates per adjusted discharge for the twelve month periods ended March 31, 2003 and March 31, 2004, and the percentage changes were:

<u>Rate per Adjusted Discharge</u>	<u>FYE 3/31/03</u>	<u>FYE 3/31/04</u>	<u>Percent Change</u>
Total Patient Service Revenue per Adjusted Discharge	\$16,495.17	\$18,648.98	+13.1%
Deductions from Revenue per Adjusted Discharge	\$7,767.04	\$9,210.00	+18.6%
Net Patient Service Revenue per Adjusted Discharge	\$8,728.12	\$9,438.97	+8.1%
Operating Expenses per Adjusted Discharge	\$8,451.76	\$9,072.04	+7.3%
Net Operating Income per Adjusted Discharge	\$276.36	\$366.93	+32.8%

FINANCIAL RATIOS

Financial ratios are utilized to reflect the relationship between selected financial indicators. The financial ratios selected for this report are not all encompassing, but represent financial indicators that can be readily calculated from the data available through the quarterly reporting process as currently designed without requesting supplemental data from the reporting hospitals.

Days in Accounts Receivable

During the twelve month period ended March 31, 2004 accounts receivable averaged 69.6 days on a statewide basis. This was 10.0% more than the year earlier period and was the highest average days in accounts receivable recorded since the twelve month period ended September 30, 2001. Accounts receivable averaged 55.2 days for Medicare, 73.0 days for Medicaid, and 78.4 days for other payers, which were increases of 6.1 days, 2.2 days, and 7.9 days, respectively, from the previous year. The Medicare and other payer days in accounts receivable were the highest recorded since the four quarter period ended March 31, 2002.

Operating Margin

Operating margin compares net operating income to total operating revenue. In the twelve month period ended March 31, 2003 operating margin was 3.65%, which was 21.5% greater than the year earlier period, but was 2.9% less than calendar year 2003. Operating margin is a major source of funding for expansion and replacement as well as the acquisition of new medical technology.

Deductible Proportion

The deductible proportion compares total deductions from revenue to total patient service revenue. For the four quarter period ended March 31, 2004 the deductible proportion reached 49.4%, which was an increase of 4.9% over the year earlier level. The deductible proportion has grown every quarter since the four quarter period ended March 31, 1996 and has reached a new high. At the current level, a hospital must bill \$1.98 to realize \$1.00 in net revenue.

Contractual Proportion

The contractual proportion compares total contractual adjustments with total patient service revenue. Likewise, the Medicare contractual, Medicaid contractual, and other contractual proportions are computed by comparing each payer group's contractual adjustments to the corresponding total patient service revenue for the same payer group. The total contractual proportion reached 47.8%, which was an increase of 4.0% and was another new high, during the four quarter period ended March 31, 2004. The contractual proportion has grown every quarter since calendar year 1995. The Medicare contractual proportion of 56.5% and the Medicaid contractual proportion of 51.9% are well above the contractual proportion for other payers of 40.6%. This is a direct result of the significant increase in Medicare and Medicaid contractual adjustments over the past year, combined with the smallest increase in contractual adjustments for other payers since calendar year 1985.

Uncompensated Care Proportion

The bad debt proportion, charity proportion, and total uncompensated care proportion, compare bad debt expense, charity care, and total uncompensated care to total patient service revenue. In the four quarter period ended March 31, 2004, the bad debt proportion reached 2.09%, which was an increase of 31.1% over the previous year and was the highest noted since the twelve month period ended June 30, 1991. The charity care proportion reached 1.61%, which was an increase of 38.5% over the previous year and was the highest noted since the twelve month period ended March 31, 1999. The total uncompensated care proportion reached 3.70%, which was an increase of 34.2% over the previous year, and was the highest noted since the twelve month period ended March 31, 1992. Total uncompensated care was 7.31% of patient service revenue for the other payer category. When combined with the contractual proportion for this group of payers, the total unrealized revenue totals 47.9%. However, this is well below the contractual proportions of 56.5% for Medicare and 51.9% for Medicaid.

Geographically, the bad debt proportion ranges from 1.72% in both the King County and Eastern

Washington regions to 2.53% in the Puget Sound region and 2.57% in the Southwest Washington region. At 3.26%, the bad debt proportion is significantly higher in the remote rural areas than in the frontier rural, less remote rural, or urban areas. The 0.74% bad debt proportion experienced by district hospitals is substantially below the proportion realized by not-for-profit or proprietary hospitals.

At 1.95% the charity care proportion was highest in the King County region. The charity care proportion in the Central Washington and Eastern Washington regions was below 1.0%. The charity care proportion increased with the degree of urbanization, from the low of 0.58% in the frontier rural area to 1.66% in the urban area. Not-for-profit hospitals provided a substantially greater proportion of charity care than district hospitals or proprietary hospitals.

The total uncompensated care proportion was lowest in the Eastern Washington region (2.68%) and highest in the Southwest Washington (4.02%) and Puget Sound (4.17%) regions. The total uncompensated care proportion ranged from a low of 1.11% for district hospitals to a high of 5.83% for not-for-profit hospitals.

	<u>Twelve Months Ended</u>		<u>Change</u>	<u>Percent Change</u>
	<u>March 31, 2002</u>	<u>March 31, 2004</u>		
Bad Debt Proportion				
Statewide Total	1.58%	2.09%	+0.51%	+32.0%
By Region:				
King County	1.26%	1.72%	+0.46%	+36.2%
Puget Sound	1.98%	2.53%	+0.56%	+28.1%
Southwest Washington	2.14%	2.57%	+0.44%	+20.4%
Central Washington	1.79%	2.26%	+0.47%	+26.2%
Eastern Washington	1.24%	1.72%	+0.48%	+38.4%
By Population Density:				
Frontier Rural	1.82%	2.02%	+0.20%	+11.0%
Remote Rural	2.92%	3.26%	+0.35%	+12.0%
Less Remote Rural	1.95%	2.19%	+0.24%	+12.3%
Urban	1.50%	2.04%	+0.54%	+36.2%
By Type of Ownership:				
District	0.61%	0.74%	+0.13%	+20.9%
Not-for-Profit	2.73%	3.56%	+0.83%	+30.6%
Proprietary	3.85%	3.30%	-0.54%	-14.1%

	Twelve Months Ended		Change	Percent Change
	March 31, 2002	March 31, 2004		
Charity Care Proportion				
Statewide Total	1.30%	1.61%	+0.31%	+23.4%
By Region:				
King County	1.82%	1.95%	+0.13%	+7.2%
Puget Sound	1.01%	1.64%	+0.63%	+62.5%
Southwest Washington	0.87%	1.44%	+0.57%	+65.6%
Central Washington	1.01%	0.90%	-0.11%	+11.0%
Eastern Washington	0.67%	0.97%	+0.30%	+44.7%
By Population Density:				
Frontier Rural	0.63%	0.58%	-0.05%	-7.3%
Remote Rural	0.98%	0.85%	-0.13%	-13.0%
Less Remote Rural	0.74%	1.42%	+0.68%	+91.5%
Urban	1.38%	1.66%	+0.28%	+20.0%
By Type of Ownership:				
District	0.25%	0.37%	+0.12%	+47.9%
Not-for-Profit	1.55%	2.27%	+0.72%	+46.1%
Proprietary	1.30%	0.57%	-0.72%	-55.9%
Uncompensated Care Proportion				
Statewide Total	2.88%	3.70%	+0.81%	+28.1%
By Region:				
King County	3.08%	3.67%	+0.59%	+19.1%
Puget Sound	2.99%	4.17%	+1.19%	+39.7%
Southwest Washington	3.01%	4.02%	+1.01%	+33.5%
Central Washington	2.80%	3.16%	+0.36%	+12.8%
Eastern Washington	1.91%	2.68%	+0.78%	+40.6%
By Population Density:				
Frontier Rural	2.45%	2.61%	+0.15%	+6.3%
Remote Rural	3.89%	4.12%	+0.22%	+5.7%
Less Remote Rural	2.69%	3.61%	+0.92%	+34.0%
Urban	2.88%	3.70%	+0.82%	+28.5%
By Type of Ownership:				
District	0.86%	1.11%	+0.25%	+28.6%
Not-for-Profit	4.28%	5.83%	+1.55%	+36.2%
Proprietary	5.14%	3.88%	-1.27%	+24.6%

Inpatient and Outpatient Revenue

The proportion of total revenue to inpatient revenue and the outpatient revenue percentage are alternate ways of looking at the relationship between inpatient and outpatient revenue. Between the annual periods ended March 31, 2003 and March 31, 2004, the outpatient revenue percentage declined from 43.9% to 43.4%, while the ratio of total revenue to inpatient revenue slipped from 1.78 to 1.77. After peaking in the four quarter period ended June 30, 2003, these ratios have been slowly dropping.

programs represent. In the twelve month period ended March 31, 2004 the Medicare percentage was 34.50% and the Medicaid percentage was 14.97%. With 49.47% of total patient service revenue, which is the highest since the four quarter period ended June 30, 1996, the Medicare and Medicaid programs have a major influence on the financial health of hospitals.

Medicare and Medicaid Revenue

The primary payers of hospital bills are the Medicare and Medicaid programs. The Medicare and Medicaid revenue percentages indicate the proportion of total hospital business that these

hospTRENDS
Washington State
Hospital Financial and Utilization Trend Update
Quarter Ended March 31, 2004

For additional information, comments, and suggestions, or to request extra copies of this report, please contact:

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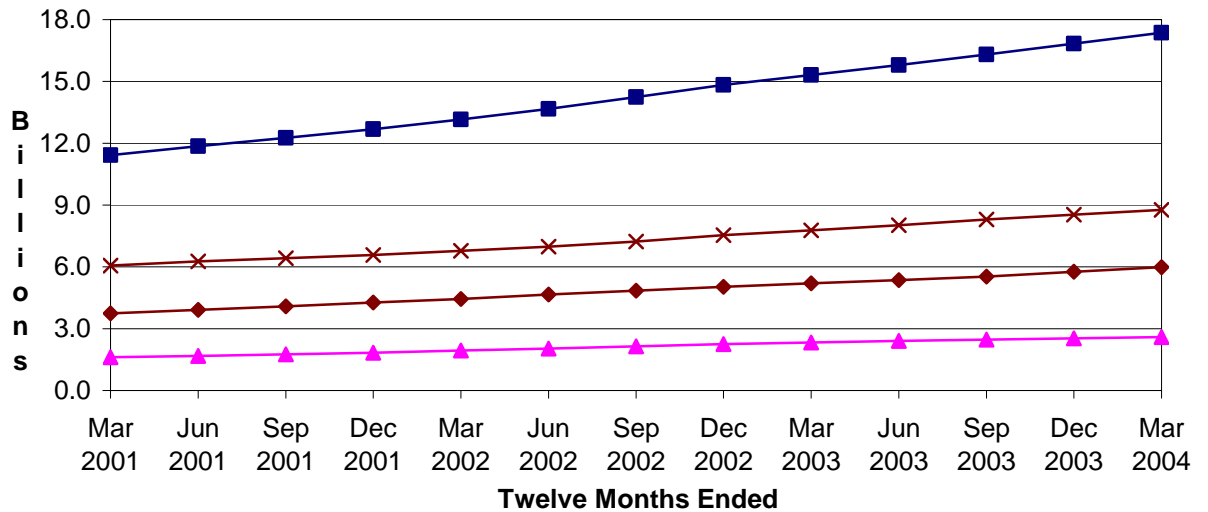
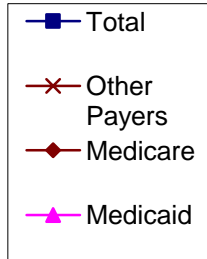
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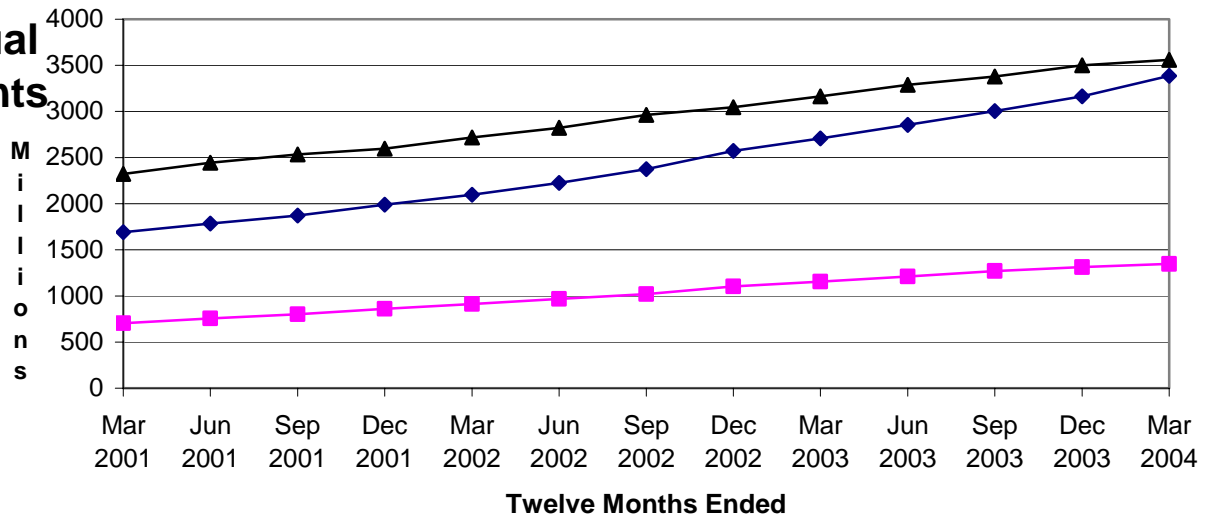
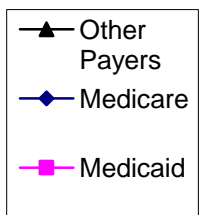
Teresa Jennings, State Registrar and Director
Center for Health Statistics

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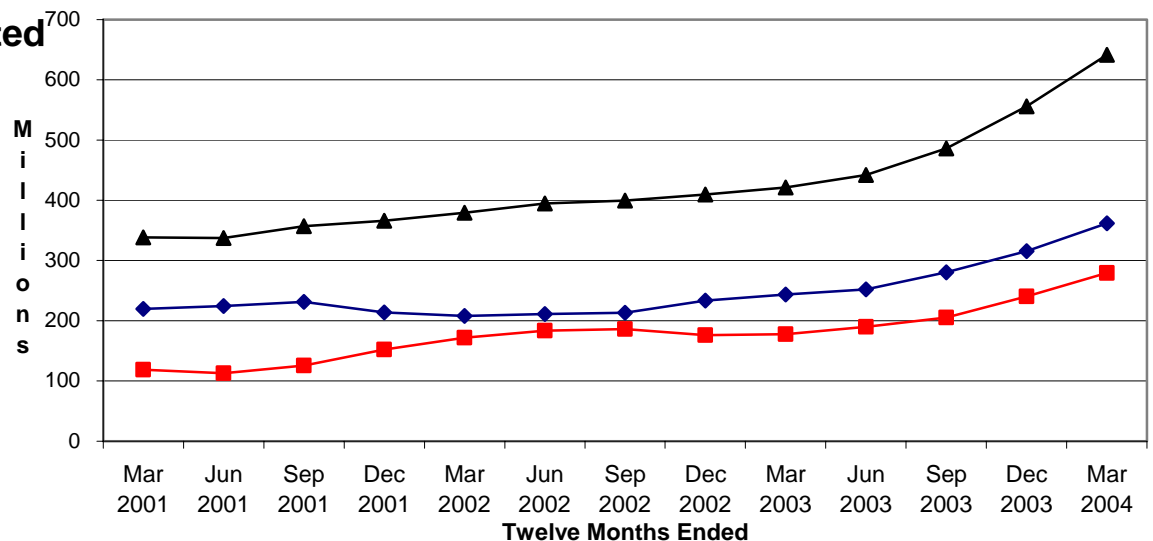
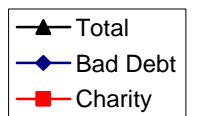
Total Patient Service Revenue

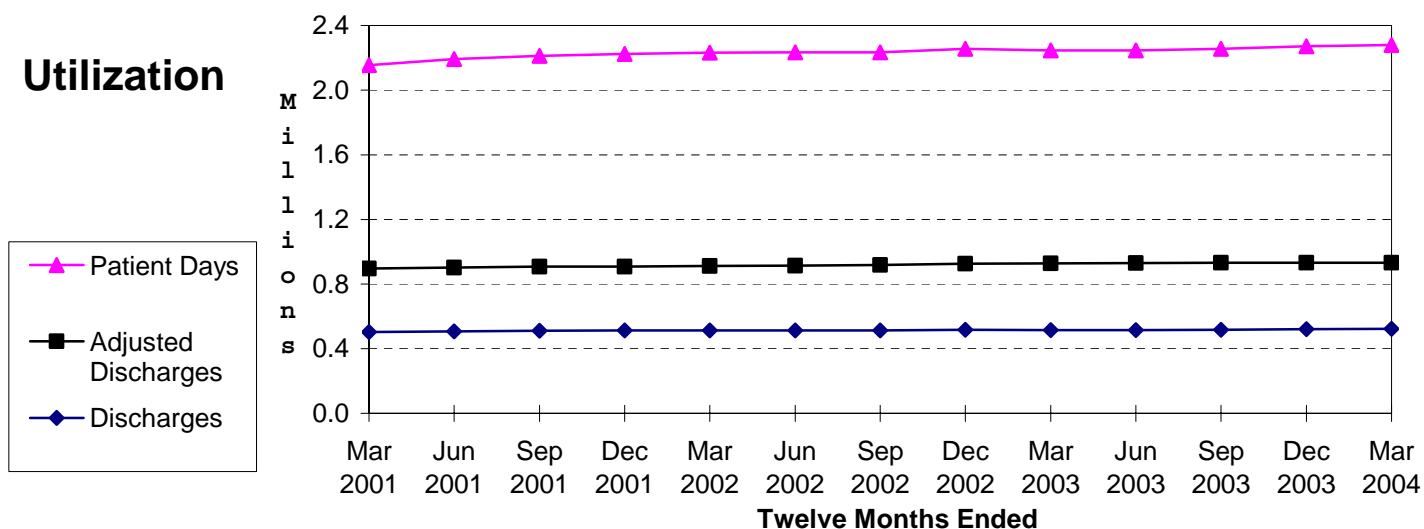
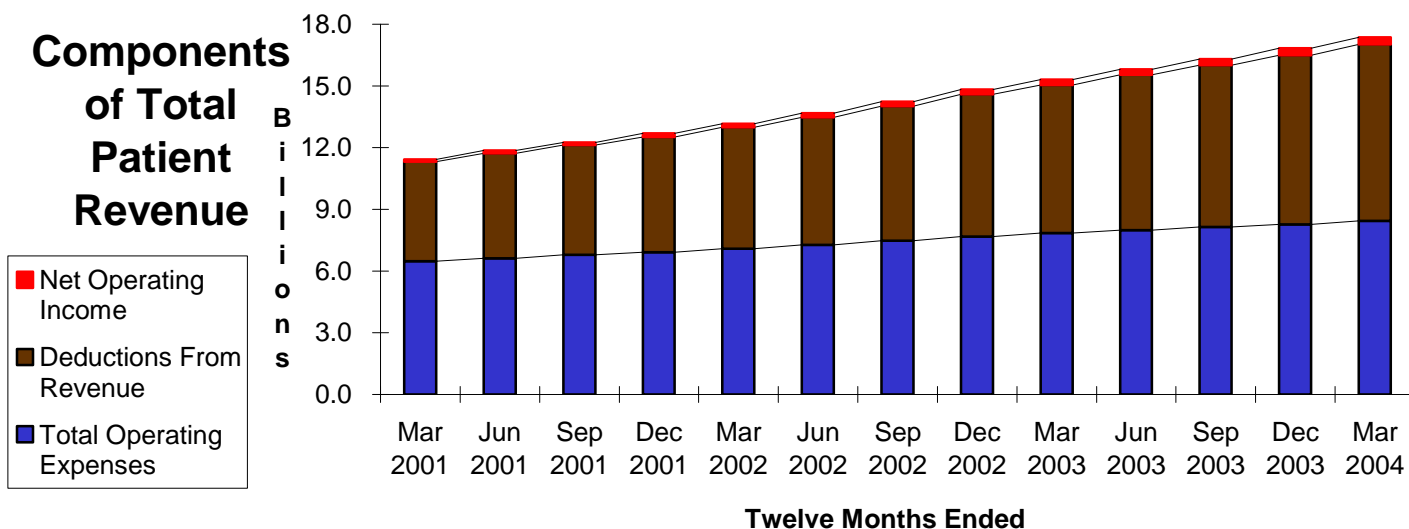
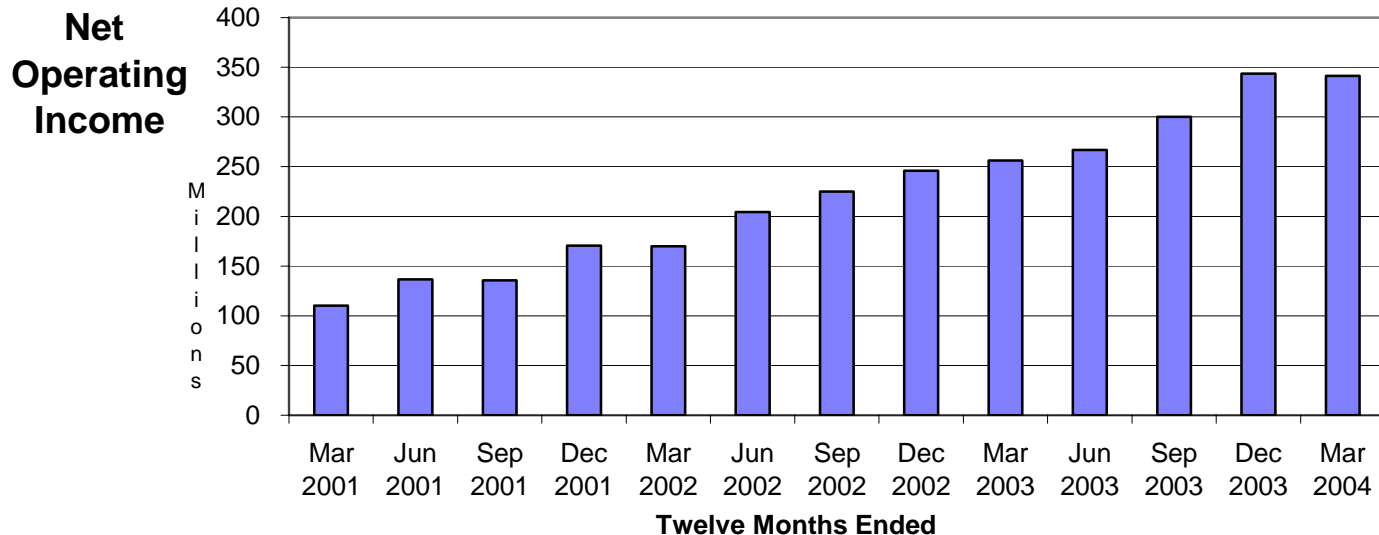


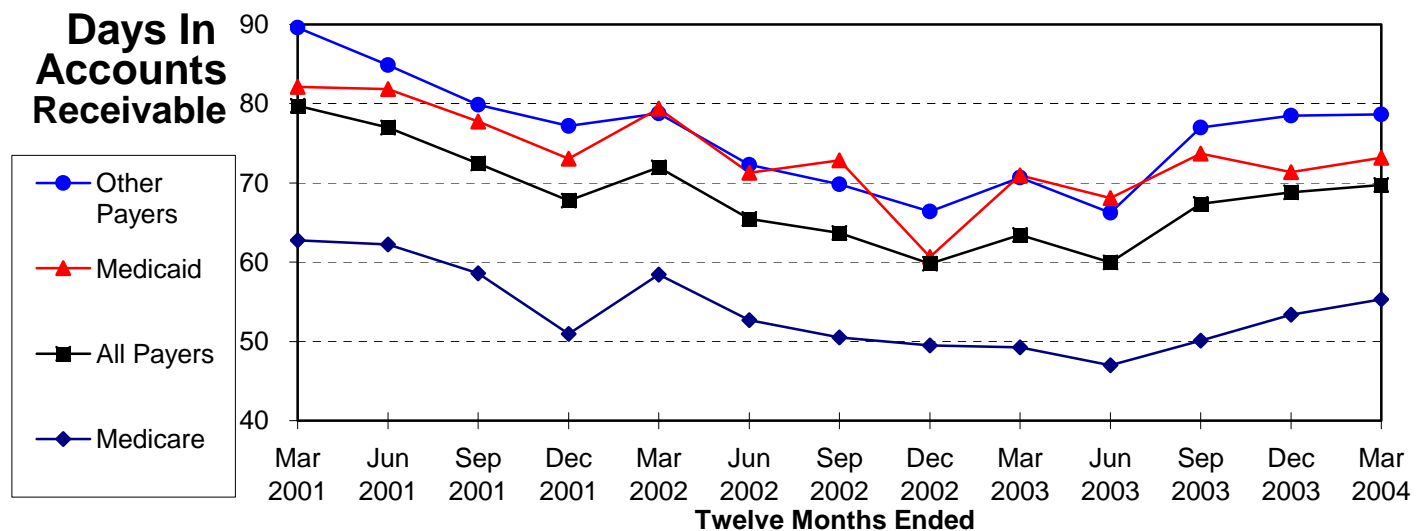
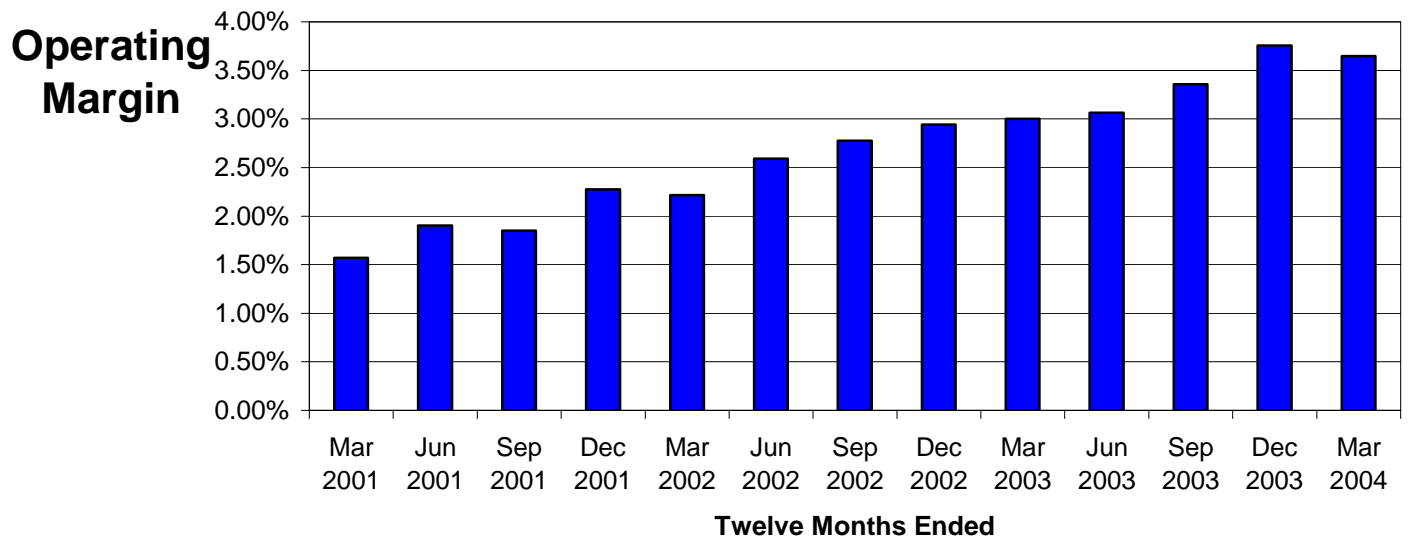
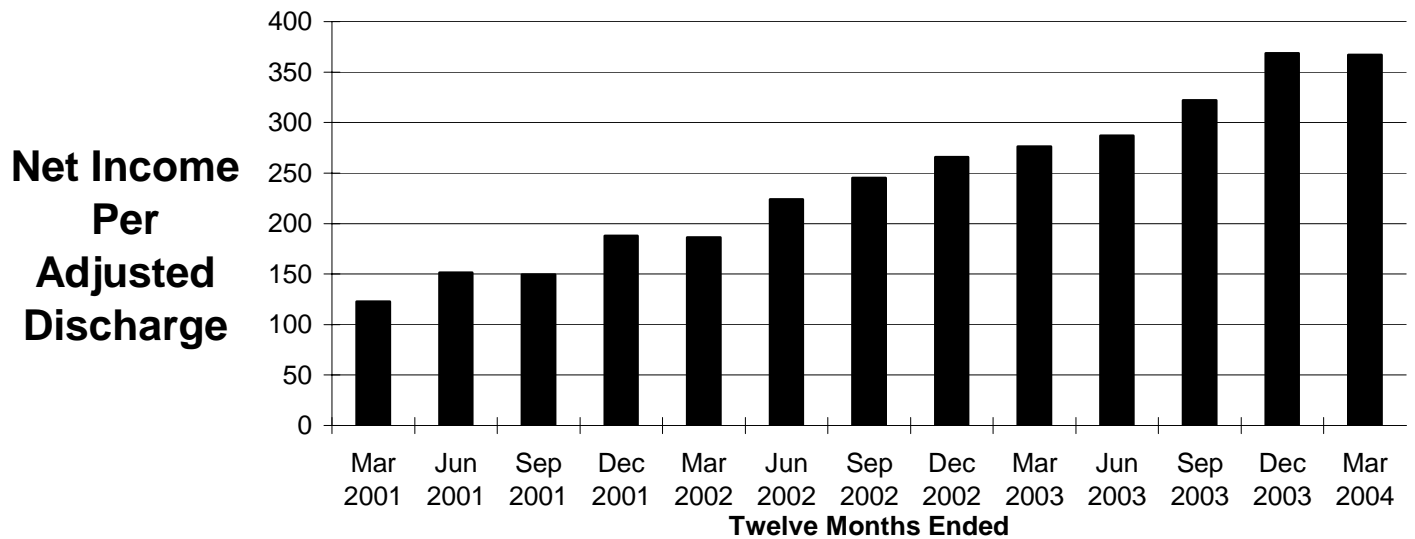
Contractual Adjustments

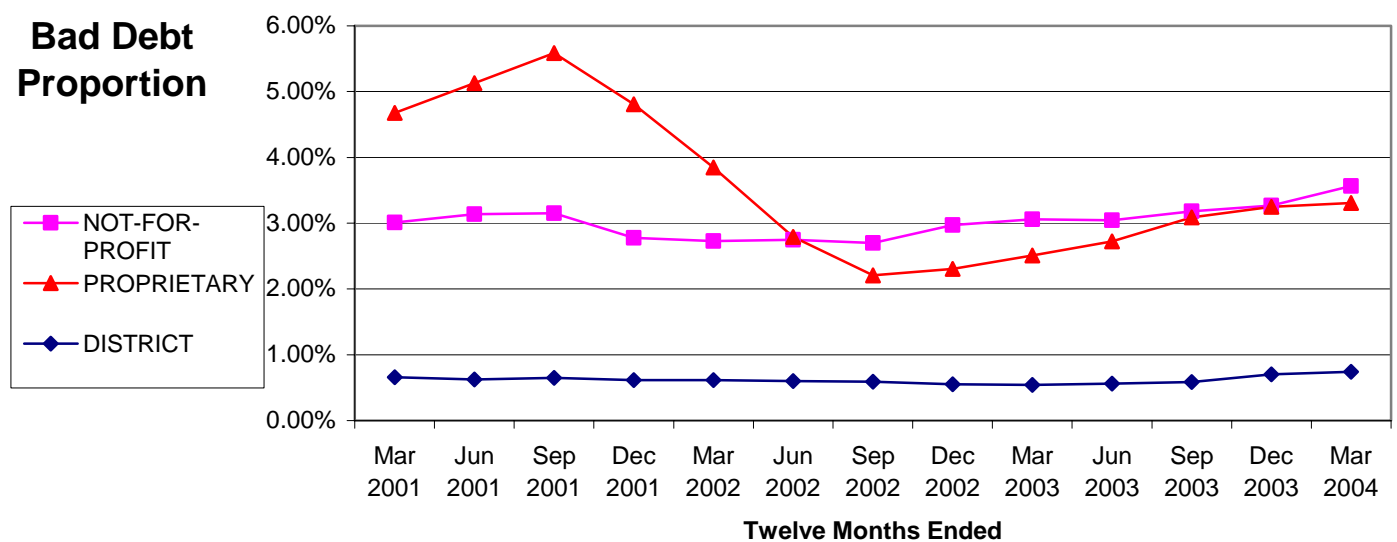
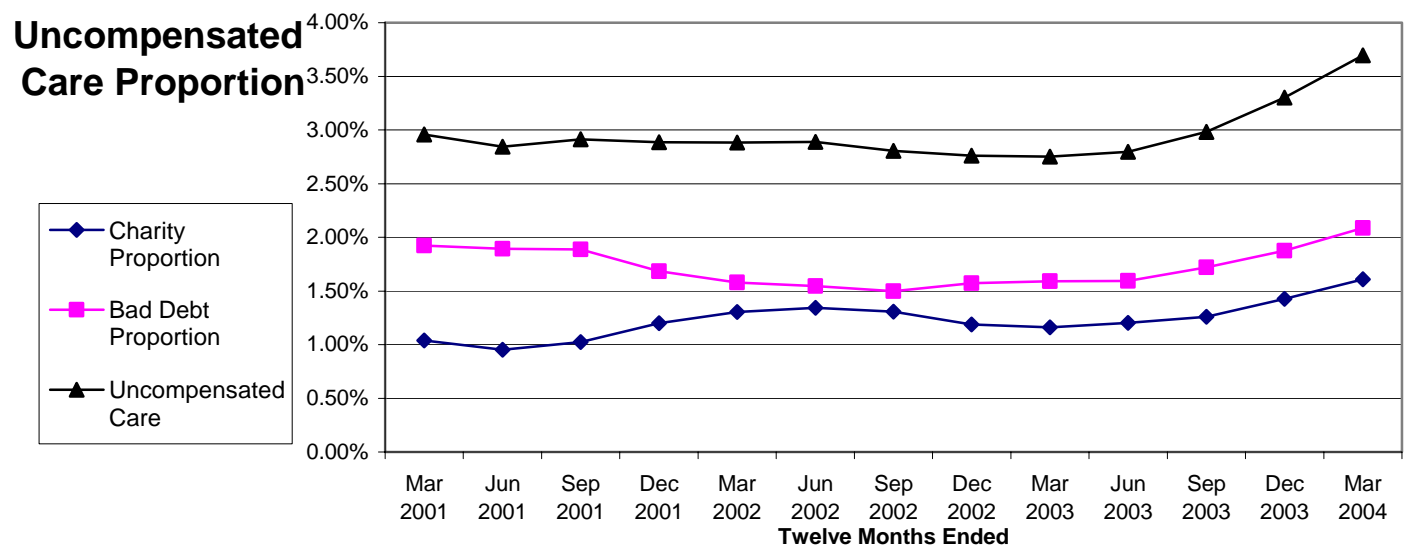
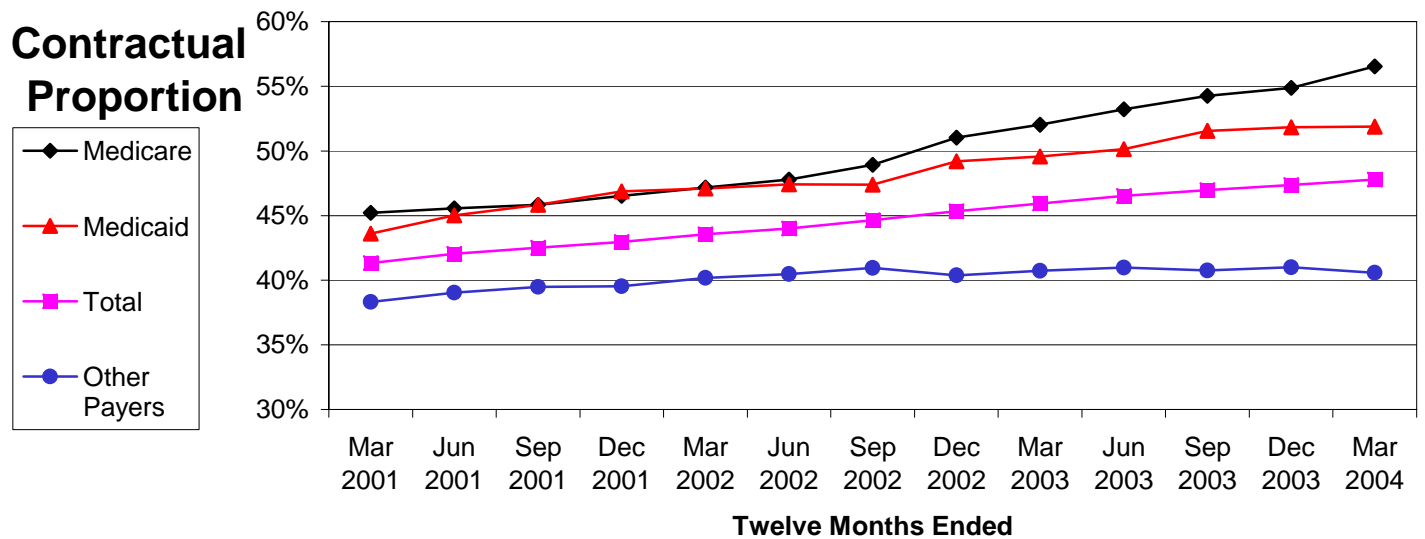


Uncompensated Care

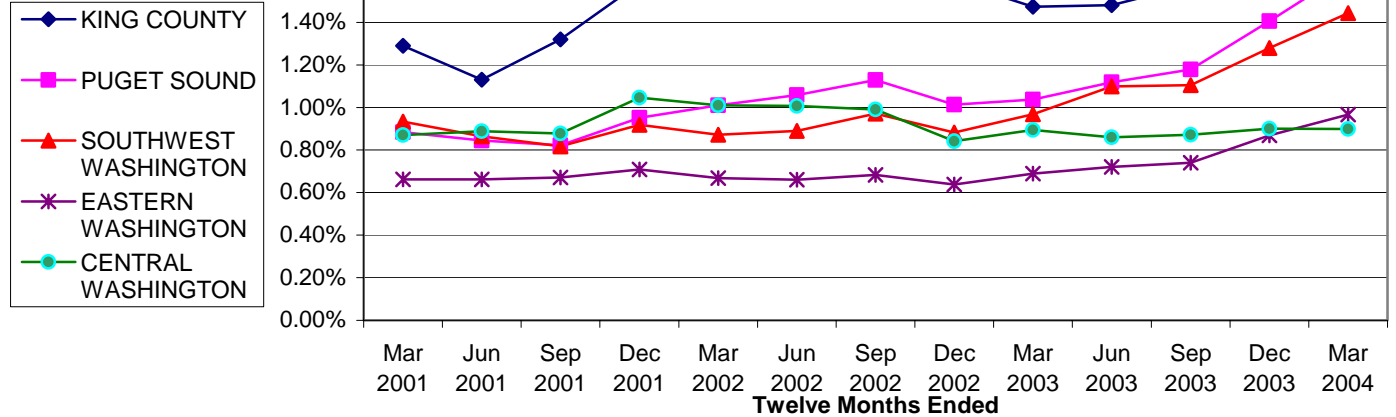




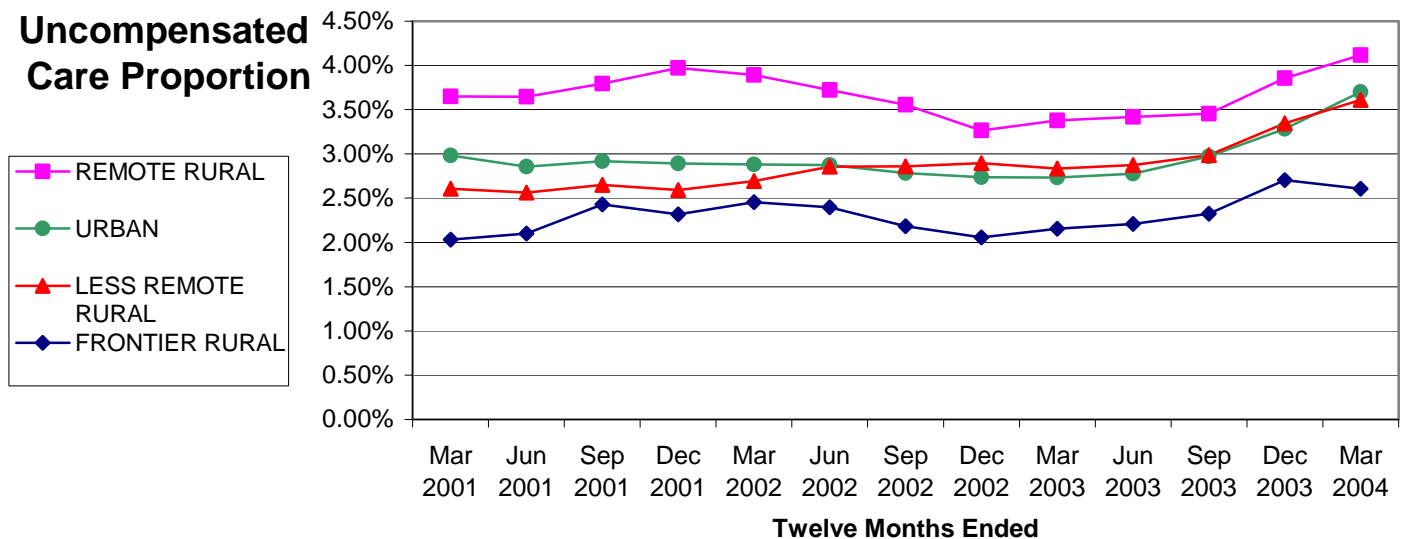




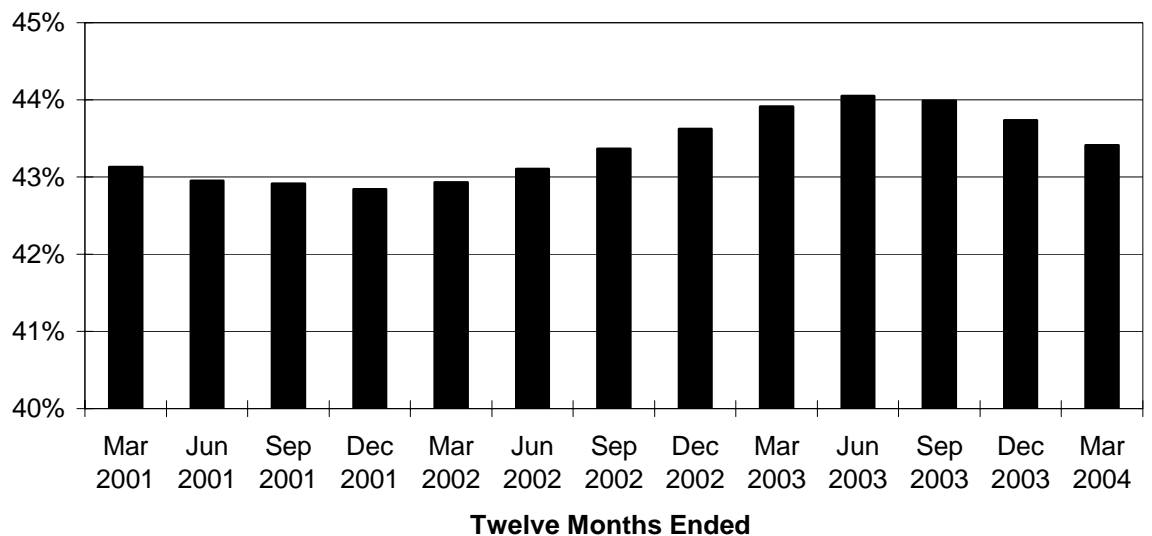
Charity Proportion



Uncompensated Care Proportion



Percent Outpatient Revenue



HOSPITAL PERFORMANCE STATEWIDE	Twelve Months Ended Mar 31 2003	Twelve Months Ended Mar 31 2004	Total Change	Percent Change
Total Patient Revenue				
Inpatient	8,583,470,452	9,821,504,072	1,238,033,620	14.42%
Outpatient	6,720,002,555	7,534,318,072	814,315,517	12.12%
Total	15,303,473,007	17,355,822,144	2,052,349,137	13.41%
Medicare	5,205,931,535	5,986,928,895	780,997,360	15.00%
Medicaid	2,328,701,488	2,598,139,182	269,437,694	11.57%
Other	7,768,839,984	8,770,754,067	1,001,914,083	12.90%
Deductions From Revenue				
Contractual Adjustments				
Medicare	2,708,781,127	3,383,886,826	675,105,699	24.92%
Medicaid	1,154,554,375	1,348,086,189	193,531,814	16.76%
Other	3,164,751,205	3,560,036,058	395,284,853	12.49%
Total	7,028,086,707	8,292,009,073	1,263,922,366	17.98%
Charity	177,825,785	279,355,541	101,529,756	57.10%
Total	7,205,912,492	8,571,364,614	1,365,452,122	18.95%
Uncompensated Care				
Bad Debt	243,505,098	361,944,258	118,439,160	48.64%
Charity	177,825,785	279,355,541	101,529,756	57.10%
Total	421,330,883	641,299,799	219,968,916	52.21%
Net Patient Revenue				
Medicare	2,497,150,408	2,603,042,069	105,891,661	4.24%
Medicaid	1,174,147,113	1,250,052,993	75,905,880	6.46%
Other	4,426,262,994	4,931,362,468	505,099,474	11.41%
Total	8,097,560,515	8,784,457,530	686,897,015	8.48%
Total Operating Expenses	7,841,161,642	8,442,969,863	601,808,221	7.67%
Net Operating Income	256,398,873	341,487,667	85,088,794	33.19%
Days in Accounts Receivable				
Medicare	49.1	55.2	6.1	12.34%
Medicaid	70.8	73.0	2.2	3.10%
Other Payers	70.5	78.4	7.9	11.26%
Statewide Total	63.3	69.6	6.3	10.00%
Utilization				
Discharges	515,674	522,697	7,023	1.36%
Patient Days	2,246,208	2,280,080	33,872	1.51%
Length of Stay	4.36	4.36	0.01	0.14%
Adjusted Discharges	927,755	930,658	2,903	0.31%
Rates				
Tot Rev Per Adj Disch	16,495.17	18,648.98	2,153.81	13.06%
Deductions Per Adj Disch	7,767.04	9,210.00	1,442.96	18.58%
Net Revenue Per Adj Disch	8,728.12	9,438.97	710.85	8.14%
Oper Expense Per Adj Disch	8,451.76	9,072.04	620.28	7.34%
Net Income Per Adj Disch	276.36	366.93	90.57	32.77%
Financial Ratios				
Operating Margin	3.00%	3.65%	0.65%	21.54%
Deductible Proportion	47.09%	49.39%	2.30%	4.88%
Contractual Proportion - Total	45.92%	47.78%	1.85%	4.03%
Contractual Proportion - Medicare	52.03%	56.52%	4.49%	8.63%
Contractual Proportion - Medicaid	49.58%	51.89%	2.31%	4.65%
Contractual Proportion - Other	40.74%	40.59%	-0.15%	-0.36%
Bad Debt Proportion	1.59%	2.09%	0.49%	31.06%
Charity Proportion	1.16%	1.61%	0.45%	38.52%
Uncompensated Care Proportion	2.75%	3.70%	0.94%	34.21%
Total Rev/Inpat Rev	1.78	1.77	-0.02	-0.88%
Outpat Rev Percent	43.91%	43.41%	-0.50%	-1.14%
Medicare Rev Percent	34.02%	34.50%	0.48%	1.40%
Medicaid Rev Percent	15.22%	14.97%	-0.25%	-1.62%